

Message Text

CONFIDENTIAL

PAGE 01 VIENNA 10447 271611Z
ACTION EUR-12

INFO OCT-01 ISO-00 ACDA-07 CIAE-00 PM-04 H-01 INR-07 L-03
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 EB-07
MC-02 OMB-01 /075 W
-----271623Z 001051 /54

R 271539Z DEC 76
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC 0396
INFO AMEMBASY BONN
AMEMBASSY PARIS
SECDEF WASHDC
USCINCEUR

C O N F I D E N T I A L VIENNA 10447

E.O. 11652: GDS
TAGS: PINT, MILI, AU
SUBJECT: ALLEGED PROCUREMENT SCANDAL IN AUSTRIAN MOD

1. DIRECTOR OF MILITARY PROCUREMENT IN AUSTRIAN MOD, BRIGIDIER ALFONS TOMSCHITZ, WAS SUSPENDED FROM DUTY NOVEMBER 24 IN ALLEGED PROCUREMENT SCANDAL INVOLVING AUSTRIAN AND/OR FRENCH FIRMS. FIRST PRESS REPORTS OF MID-DECEMBER SUGGESTED PERSONAL PROFIT OR POSSIBLYBLACK-MAIL WERE REASONS FOR TOMSCHITZ'S ALLEGEDLY IMPROPER ACTIVITIES, WHICH REPORTEDLY INVOLVED UNAUTHORIZED NEGOTIATIONS WITH AUSTRIAN AMMUNITION MANUFACTURER "ASSMANN" AND UNIDENTIFIED FRENCH MANUFACTURER OF AMMUNITION FOR "KURASSIER" TANK DESTROYER AND THEN CONTRIVING TO OBTAIN DEFENSE MINISTER LUTGENDORF'S SIGNATURE ON CONTRACTS WITH THESE FIRMS IN ABSENCE OF LEGALLY APPROPRIATED FUNDS. DECEMBER 22 PAPERS CLAIMED, HOWEVER, THAT NEGOTIATIONS WITH FRENCH FIRM WERE BEGUN ON LUTGENDORF'S ORDERS. "DIE KURIER" OF DECEMBER 23, IN CITING PRESS PUBLICATION ON DECEMBER 22 OF EXCERPTS FROM CLASSIFIED MOD DOCUMENTS, RAISED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 VIENNA 10447 271611Z

ISSUE WHETHER SCANDAL WOULD NOW BE BROADENED TO INCLUDE THEFT OF STATE SECRETS. TOMSCHITZ HIMSELF ADDED ANOTHER DIMENSION TO CONTROVERSY WHEN, IN PRESS INTERVIEW, HE INDICATED HE PROMOTED (WITHOUT SUCCESS) SCHEME TO HAVE AUSTRIA DEVELOP ITS OWN MISSILE INDUSTRY, THUS OVERCOMING STATE TREATY ARTICLE 13 BAN ON

MISSILES.

2. TOMSCHITZ, WHO IS KNOWN TO BE CLOSE TO SMALL RIGHT-WING OPPOSITION FREEDOM PARTY AND POSSESSED OF EXAGGERATED SELF-IMPORTANCE, ENTERED INTO WHAT DESCRIBED AS "GENTLEMEN'S AGREEMENT" WITH DEFENSE MINISTER TO RESIGN FOR HEALTH REASONS WHEN FIRST INDICATIONS OF IRREGULARITIES BECAME KNOWN IN MOD. SINCE THEN, HOWEVER, MINISTER LUTGENDORF BACKED OFF IN VIEW OF WHAT TERMED SERIOUSNESS OF ALLEGATIONS AGAINST TOMSCHITZ. LUTGENDORF'S HANDLING OF CASE HAS RAISED IN SOME POLITICAL QUARTERS QUESTIONS ABOUT SOUNDNESS OF HIS JUDGMENT AND CONTINUED VIABILITY AS MINISTER. DECISION OF SPECIAL DISCIPLINARY BOARD, WHICH SEIZED WITH TOMSCHITZ CASE, EXPECTED AT EARLIEST IN JANUARY. HESITANCY OF OPPOSITION PARTIES TO LAUNCH MAJOR POLITICAL ATTACK ON LUTGENDORF IS BASED ON TWO FACTORS: (1) INABILITY OF OPPOSITION TO OBTAIN CLEAR PICTURE OF MAGNITUDE OF SCANDAL AND PERSONS INVOLVED AND (2) OPPOSITION'S RELUCTANCE TO BELABOR PUBLICLY MILITARY ESTABLISHMENT WHICH HAS BEEN, AT BEST, TREATED AS UNWANTED STEP-CHILD BY SOCIALIST GOVERNMENT AND WHICH IS CLOSER AS INSTITUTION TO VIEWS OF TWO OPPOSITION PARTIES IN PARLIAMENT.

3. EMBASSY UNDERSTANDS NO RPT NO AMERICAN FIRMS ARE IMPLICATED IN ALLEGED IRREGULARITIES EVEN THOUGH COMMUNIST PAPER "VOLKSTIMME" SPECULATED FIRST THAT BELL HELICOPTER, THEN SIKORSKY, WAS INVOLVED. TOMSCHITZ DID VISIT U.S. IN 1975 WITH ASSISTANCE OF DOD AND WAS HOSTED THERE BY VARIOUS U.S. FIRMS INTERESTED IN MILITARY SALES, CONFIDENTIAL

CONFIDENTIAL

PAGE 03 VIENNA 10447 271611Z

INCLUDING BELL AND SIKORSKY. SINCE TOMSCHITZ IS KNOWN PREVIOUSLY TO HAVE GONE OUTSIDE PROPER CHANNELS TO ADVANCE HIS OWN INTERESTS (E.G., HE WROTE DIRECTLY TO PRESIDENT NIXON FOR APPOINTMENT DURING PREVIOUSLY PLANNED VISIT IN 1974), FULL INVESTIGATION OF HIS ACTIVITIES COULD CONCEIVABLY DEVELOP SOME IRREGULARITIES IN HIS RELATIONSHIP WITH U.S. FIRMS BUT EMBASSY DOUBTS ANYTHING OF SIGNIFICANCE COULD BE DEVELOPED, GIVEN GOVERNMENT-TO-GOVERNMENT NATURE OF MOST U.S. MILITARY SALES TO AUSTRIA. BUCHANAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, CORRUPTION, SALES, AMMUNITION, PERSONNEL MOVEMENTS, ALLEGATIONS, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 27 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976VIENNA10447
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760472-1248
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761211/aaaaajpe.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 30 MAR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 MAR 2004 by hartledg>; APPROVED <16 AUG 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ALLEGED PROCUREMENT SCANDAL IN AUSTRIAN MOD
TAGS: PINT, MILI, AU, (TOMSCHITZ, ALFONS)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006